

# IIROC NOTICE

## **Enforcement Notice Decision**

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Legal and Compliance

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**10-0167**  
**June 8, 2010**

## **IN THE MATTER OF James Jannetta – Penalty**

### **SUMMARY**

Following a disciplinary hearing held on January 27, 2010, in Winnipeg, Manitoba, a Hearing Panel of the Investment Industry Regulatory Organization of Canada (IIROC) found that James Jannetta (the “Respondent”), over the period May 2005 to October 2006:

- (a) Contravened IDA Regulation 1300.1(a) by failing to accurately record and/or update client investment objectives and risk tolerance relating to 2 client accounts;
- (b) Contravened IDA Regulations 1300.4 and 1300.5 by engaging in discretionary trading in 4 client accounts;
- (c) Contravened IDA Bylaw 29.1 by engaging in unauthorized trading by effecting 3 total trades in 2 client accounts without having the clients’ prior instructions;
- (d) Contravened IDA Bylaw 29.1, by arranging for a client to take a monetary loss with a promise for future compensation arising from the Respondent’s trading error; and
- (e) Contravened IDA Regulation 200.1(i)(c) by failing to obtain a written authorization allowing for the receipt of trade instructions from a third party.



The Hearing Panel issued its Decision and Reasons on May 20, 2010. The Hearing Panel imposed the following penalty against the Respondent:

- (a) A total fine of \$36,500.00;
- (b) The Respondent's registration should be subject to a period of 6 months of close supervision upon re-entry to the industry; and
- (c) As a condition to re-approval the Respondent should be required to successfully re-write and complete the Conduct and Practices Handbook Exam.

The Panel required the Respondent to pay costs in the amount of \$ 15,000.00

The IDA formally initiated the investigation into the Respondent's conduct on March 22, 2007. The violations occurred when the Respondent was a Registered Representative with the Winnipeg, Manitoba Branch of Man Financial Inc. (now MF Global Canada Co.) The Respondent is no longer registered with an IIROC-regulated firm.

The Hearing Panel's Decisions and Reasons are available at:

<http://docs.iiroc.ca/DisplayDocument.aspx?DocumentID=77B7100653D74516BAF15588F84E9BA0&Language=en>